EXHIBIT B

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY TRENTON VICENAGE

GEORGE STAMOS,

Plaintiff, :

 $-\Lambda$

AOP OPERATING COMPANY, LLP; JOSEPH SOLANO AND JONATHAN SOBEL,

Defendants. :

DEPOSITION OF: JOSEPH SOLANO

October 14, 2021

TAYLOR & FRIEDBERG, LLC Certified Court Reporters 60 Washington Street Morristown, New Jersey 07960 Tel. 973-285-0411 E-mail: csr@taylorfriedberg.com

T R A N S C R I P T of the deposition of JOSEPH SOLANO, a witness herein, called for Oral Examination by the parties in the above-entitled action, said deposition being taken pursuant to Notice, by and before LORI YUCHT, a Certified Court Reporter and Notary Public of the State of New Jersey, License No. XI00200400, at the Offices of Chiesa Shahinian & Giantomasi, 830 Morris Turnpike, Short Hills, New Jersey, on Thursday, October 14, 2021, commencing at 10:10 in the forenoon.

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18
     lines of vehicles was Audi of Princeton selling?
 2
                     What lines? So --
                     What makes? What brands?
 3
             0
                     So AOP Operating Company is
 4
             Α
     Volkswagen and Audi. And HOP, which is contiquous
 5
     to us, sells Honda.
 6
7
                             Thus, Honda of Princeton.
             0
8
             Α
                     Honda of Princeton.
 9
                     And it makes sense that they would
             0
     sell VWs and Audis, 'cause VW owns Audi. Correct?
10
11
             Α
                     Yeah.
12
                     MR. DERATZIAN: We need to --
13
     unfortunately, I need to stop for a second.
14
                     (Whereupon, a break was taken.)
15
16
     BY MR. DERATZIAN:
17
                     So, before I had to go and before we
18
     had lunch issues and before we started talking about
19
     Mel Brooks, we were -- I was asking you about when
20
     you started with one of the Sobel companies in
21
     Princeton. Do you remember when you actually --
     when you actually came on board?
22
23
             Α
                     Officially I came on board July of
24
     2016.
25
             Q
                     As of that time, was Mr. Sobel -- I
```

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19
     am just going to do it this way for the moment,
 1
2
     actually operating the Audi of Princeton dealership?
 3
            Α
                     Yes.
                     Do you know how long he'd been
 4
 5
     operating it for?
 6
                     I believe four months.
            Α
 7
                     To the best of your knowledge, how
8
     much of the pre-Sobel staff was still working for
9
     AOP when you came on board? Do you understand the
10
     question?
11
            Α
                     Yeah.
                            No I do.
                                      I would say a
12
     majority.
13
                     If you know, was there anybody that
     had been working for the Audi Volkswagen dealership
14
15
     in Princeton that Mr. Sobel acquired who wanted to
16
     continue working who was not offered that
     opportunity?
17
18
                     I believe a warranty administrator
19
     but -- yeah, I believe. But, you know, I should
20
     clarify that. I am going to do it quick, that I
     don't know -- you know, I really don't know because
21
22
     I wasn't there. I shouldn't say. I have heard, I
23
     shouldn't say.
                     From whom did you hear?
24
25
            Α
                     Other employees. But my recollection
```

20 is -- is not... 2 That's fine. 3 On a day-to-day basis, what was Mr. Sobel's involvement with the -- with the two 4 5 dealerships in Princeton? 6 Prior to my arriving? Α 7 0 If you know. 8 Α I don't. 9 What about after you got there? 0 10 Limited to interaction with me, and he would visit every few weeks and, you know, we'd 11 12 tour the facility, say hello to people. 13 Q Was he involved in any way in the day-to-day operation of the dealership? 14 15 No. 16 And I should have asked you this earlier. Which entity -- which entity, or entities, 17 18 did you -- were you working for when you came on 19 board with Mr. Sobel's company? 20 So AOP Operating, which was Volkswagen of Princeton, and Audi of Princeton. 21 22 So you weren't involved with HOP at Q 23 all? 24 Α Only to sign checks, 'cause you need 25 multiple signers. So I would -- but the day-to-day

		110
		21
1	operation, no.	
2	Q	And what was your title?
3	A	General manager.
4	Q	Was there a general manager at HOP?
5	А	Yes.
6	Q	Who was that?
7	A	Peter DiPersia.
8	Q	Why wasn't Peter DiPersia signing
9	checks for HOP	?
10	A	It required two signatures.
11	Q	Oh, I see. So, was Peter DiPersia
12	also signing -	- the second signor for AOP?
13	A	So we had three signers. We had Rose
14	Diaz, who was	our controller, myself, and Peter
15	DiPersia, were	authorized check signers. And that
16	grew to anothe	r later on.
17	Q	And was Rose Diaz also the controller
18	for HOP?	
19	A	Yes.
20	Q	Now I understand. Thank you.
21		Did Mr. Sobel provide any kind of
22	direction, str	ategic or tactical, if you will?
23	A	Yes. He shared his vision.
24	Q	What was that?
25	A	You know, constantly be aware that we

22 are an industry that is changing. You know, he 1 2 wanted to be ahead of the curve, that he wanted to do things ethically, that he, you know... 3 4 Did he provide -- did he provide 5 instruction as to how he wanted to accomplish those 6 things? 7 He would -- yes. He would theorize 8 with me. We had discussions. 9 Did Mr. Sobel have any input into the 0 10 decision to terminate George Stamos's employment? 11 So I made the decision, but I told 12 John Sobel what I was going to do. So if that 13 answers... 14 In doing so, were you requesting 0 Mr. Sobel's permission or did you have that kind of 15 16 authority on your own? 17 I had the authority. But with Α managers, you know, I would always discuss with John 18 19 the plan, what our plans were. 20 MR. DERATZIAN: I want to show you 21 two documents which -- can we mark this Solano-1 and 22 2.

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Oral Deposition; and Solano-2, Notice to Take Oral

Deposition of AOP Operating Company, is received and

(Exhibits Solano-1, Notice to Take

23

24

25

		100
		30
1	HOP prior to com	ning over to AOP briefly?
2	A	don't recall.
3	Q H	low old was Diego in 2019?
4	A	don't know, but I would be guessing
5	that he was late	e twenties, guessing maybe thirty.
6	Q I	s that your best estimate?
7	A B	Best estimate.
8	Q A	and what about Johan?
9	A J	ohan, I am going to say is around
10	40.	
11	Q A	and is that your best estimate?
12	A B	est estimate.
13	Q I	ask you this only because Attorney
14	Wells asked Mr.	Stamos, how old are you?
15	A M	le?
16	Q Y	eah.
17	A	am 62.
18	Q W	when did the position well, I take
19	it back. Is the	ere actually a position within your
20	organization tha	t is called a technologist?
21	A Y	es.
22	Q W	Then did that come into existence?
23	A	hat is a good question.
24	Q	know.
25	A S	o, there is a technologist that
1		

41 In that paragraph, Attorney Wells 1 2 states in the last sentence, Indeed at no --"Indeed, at no point in this litigation have the 3 defendants take the position that Mr. Stamos's 4 5 termination was the result of poor financial 6 performance of the used car department at the VW 7 Dealership." Do you agree with that? 8 Α Yes. 9 So I don't need -- if I ask you, did 0 10 Mr. Stamos perform poorly as far as producing 11 financial results from the dealership, your answer 12 would be no? My answer would be the definition of 13 Α insanity is doing the same thing over and over and 14 15 expecting different results. That would be my 16 answer. 17 Specifically, we were not questioning his skill level in certain areas, but we knew that 18 19 if we didn't change the way we did business, we 20 believed we would become seriously handicapped. 21 In what areas are you not questioning his skill level in? 22 23 Certified pre-owns by Volkswagen. Α 24 So we have been kicking that term 25 around in various depositions. What does that

42 actually mean? 1 2 Certified pre-own is a car that you 3 buy from either a trade or an off-lease car you bought from Volkswagen that you were able to certify 4 5 by doing, you know, a multi-point inspection and how 6 to be within the years and miles to qualify. 7 then it would come with a certified warranty and you 8 would then sell it, yes. 9 Q And the dealership does the 10 certifying. Correct? 11 Α Correct. 12 It is not like you send it to Volkswagen and they do something and then send it 13 14 back? 15 No. Α 16 And even if you buy it off lease from Volkswagen, the dealership is still doing the 17 18 certifying. Correct? 19 Α Correct. 20 And in addition to taking in trade and buying from Volkswagen -- by the way, when you 21 say Volkswagen, do you mean the Volkswagen credit 22 23 facility or for Volkswagen of America? 24 Α Both. But for this discussion --25 yes, both. But normally if it is a leased car, it

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43
     would be Volkswagen Financial Service; VCI is the
 1
 2
               And then for trade-ins it would not --
     that would come from someone like you.
 3
 4
                     Do you also certify vehicles that you
             0
     acquire from, say, auction?
 5
 6
                     Volkswagens?
             Α
7
                     Yeah.
8
             Α
                     Yes.
                     So, it is really any means by which
 9
             0
10
     you acquire a -- what used to be called a used
11
     car --
12
                     MS. TRACY: Objection.
13
                     -- that can be -- that meets the
     qualifications to be certified?
14
15
                     MS. TRACY: Objection.
                     Of Volkswagen, a used Volkswagen.
16
             0
17
                     Yes. That meets the qualifications
             Α
18
     is the keyword.
19
                     And there is dozens of points that it
             0
20
     has to meet.
                    Correct?
                     Oh, yes, hundreds. Yes, hundreds.
21
             Α
                     Is it hundreds?
22
             Q
23
             Α
                     Over a hundred, yeah.
24
                     And when you say that you weren't
25
     questioning Mr. Stamos's skill set in certified
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45
     ever a situation where somebody proposes to trade in
 1
 2
     a vehicle where the dealership says no, we're not
 3
     going to accept as a trade?
                     Yes of course.
 4
             Α
                     Who makes that decision?
 5
             0
                     It would be either in Volkswagen, it
 6
             Α
7
     would be Rich or George.
8
                     So the pre-owned sales manager?
             Q
 9
             Α
                     And the new car manager.
                     And that decision is made at the time
10
11
     of the transaction.
                          Correct?
12
             Α
                     Yes.
13
                     When -- and assuming it is a
14
     Volkswagen and we're at the Volkswagen dealership,
     when is the decision made about whether to subject
15
16
     it to certification process?
                     Well, you would first send it in to
17
             Α
               So you would have -- if it became too
18
19
     exorbitant, the reconditioning, and you were priced
20
     out of market, now we know that you would use data
     to find that out. Before we were -- George was
21
     assigning a number. If it needs more than $1400
22
23
     worth of work, don't -- we are not -- you know, we
24
     are not going to certify.
25
                     Was that actually his criteria,
```

46 \$1400 --1 2 I don't know the exact but my best 3 recollection, you know. 4 Do you know if that decision was made 5 in conjunction with someone else? 6 I think he would make that No. 7 decision. 8 How does market data -- well, let me 9 back up a second. 10 To be certified pre-owned, is there a 11 particular age beyond which it can't be certified? 12 Α Yes. 13 What is that? 14 So, it is 60,000 miles and that Α 15 So it's 60,000 miles and it has to be 16 within the warranty period. So if you -- if you certify something that is -- 'cause you get a 17 18 five-year 60,000 or five-year unlimited, depending 19 on which way you go, it is not that appealing for 20 someone if it just made the surface, they only have 21 another additional year. So you want to try and get a sweet spot of one or two years so that the person 22 23 would have a longer warranty. 24 And how does market data inform that 25 decision as far as what the cost of upgrade --

47 Because if you look at the market 1 Α 2 data, you will quickly discover that there are 3 either very few of these cars in the market. And if you did the reconditioning you would be priced 4 5 accordingly, or there are thousands of these cars in 6 the market saturated. If you do, you're better off 7 just taking it to auction and getting rid of the 8 car. 9 Oh, I see, okay. I am gathering that 0 as things stand right now, pretty much used cars are 10 11 at a premium? 12 Α Yes. But we still use market data. 13 I understand. That was a separate 0 14 issue? 15 Α Yes. 16 But in a market like this as it 17 stands today in post-COVID times or, more or less, post-COVID times, are you more -- you are more 18 19 willing, I would gather, to take in -- to certify 20 cars because they're more saleable because they're 21 more in demand. Is that not a good way to look at it or is that a good way to look at it? 22 23 Α That's not a good way to look at it. 24 Why not? 0 25 Because a certified car has very Α

48 limited things that you can sell to it. 1 2 better off taking in a Chevy and selling them a 3 warranty, selling them all the things that you can't sell, or subvented rates, which come with a 4 5 certified car. You can sell them financing. So it's actually more appealing to have a broader... 6 7 Because of the desk add ons? 8 Α The ability to offer more product to 9 the customer. Desk add on, that is a bad term. 10 That is a bad term. 11 That is a consumer-side term. 12 not denigrating the role of the person at the desk 13 at a dealership. 14 Α Yes. 15 Did you ever mention to Mr. Stamos 16 that he should have been more proactive in taking into account market data in determining what is a --17 what to take in as certified pre-owned? 18 19 Α Absolutely. 20 When was the first time you ever mentioned that to him? 21 22 Α So, when Michael Clites took over 23 Honda of Princeton, he immediately -- there was an 24 incredible uptick in their business and their 25 profitability. And I went over to speak to Michael

49 Clites and say, what are you doing? And he shared 1 2 with me his wisdom and I said, you know, I'd like 3 you to come and see if we can do that. So that was 4 a few years ago. 5 Using July of 2019 as a benchmark, 6 when did you mention to -- when did this 7 conversation with Mr. Clites happen? 8 Α So, if July of '19 -- is that when 9 George left? 10 Yes. 0 11 Okay. I'm going to say that we started to discuss it as soon as the second or third 12 13 month of Mike's employment. 14 Do you remember when the very first time you suggested that Mr. Clites come over to... 15 16 Well, I was actually -- I tried to talk to George and Rich and Ryan, who was the 17 18 pre-owned manager at the time at Audi, and I kind of 19 shared the vision of what they were doing. I didn't 20 ask Mike to initially come over because I thought we 21 could do it in-house. And I got acceptance from Lauren Waldrop, the general sales manager; Rich 22 23 Ortiz, the general sales manager; Ryan, and I don't know if I got acceptance from George because he 24 didn't say anything. He didn't agree or disagree at 25

55

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So his main focus was on certified
 1
            Α
 2
     pre-owned, which he did do a good job. But my
 3
     industry was changing very rapidly. We had many
     business disrupters now, we have CarGuru, TrueCar,
 4
 5
     Carvana, and the business model is changing.
 6
     these companies are using very sophisticated
7
     algorithms and market data to buy and purchase so
8
     that you can, A, know what your market is and price
9
     accordingly, and know when to get out.
10
                     And was that -- was that the case
11
     also in 2019 that there was CarGuru, TrueCar and
12
     Carvana?
13
            Α
                     Yes.
                           But you know -- but they had a
     different functionality, it is changing.
14
     initially, you know, all of these things came about
15
16
     as lead providers, but now they're getting into the
     business of actually selling the car. So it is
17
18
     changing rapidly.
19
                     So I know what Carvana is, although I
20
     think they changed their name. What is CarGuru?
21
                     CarGuru is a lead provider, TrueCar
     is a lead provider, Carvana is -- you know, was
22
23
     actually a selling retailer. I mean, there is so
24
            Everything has a dot com next to it.
     many.
25
                     And Carvana -- is Carvana the one
```

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56
     that will deliver your car to you and --
 1
 2
             Α
                     Correct.
 3
                     -- you buy it online for cars you
 4
     have never seen before, and it arrives on your
 5
     doorstep?
                     Correct. Which we are doing now.
 6
             Α
 7
                     Okay. Speaking only of 2019, how
             0
 8
     was -- I'm sorry. Speaking of the fall of 2018,
 9
     what specific conversations did you have with
10
     Mr. Stamos about how he could incorporate these new
11
     technologies?
12
             Д
                     Mr. Stamos never communicated.
                                                      So
13
     any subject I brought up, we never had even a
14
     spirited conversation.
15
                     What does that mean, he never
16
     communicated?
17
             Α
                     I would ask him a question, he would
     answer it with one word. I would -- if I tried to
18
19
     share he'd say, okay, okay. And then just not do
2.0
     it.
21
                     What did you tell him you wanted to
22
     do that he said --
23
                     I said, I want you to start talking
             Α
24
     to the customers, I want you to start using all of
25
     these tools that are available to us now. I don't
```

62 I said -- I mean, my recollection I 1 Α 2 said, George, those kind of things are just not 3 tolerated anymore. 4 What did he say? 0 5 He shook his head. He did not Α 6 communicate. But that is my recollection, you know. 7 It was --8 Did you raise with him concerns about 9 Mr. Geller's personal complaints? 10 Yes. We brought him in. Sue Power 11 and I brought him in and, you know, went over the letter with him. 12 13 And what was Mr. Stamos's response to 0 14 that? 15 He was not -- he actually didn't deny 16 or say he did or didn't. He didn't communicate, you So my recollection was I said, George, you 17 know? 18 know, this is just unacceptable if this is true. 19 And he said that he would go about and change his 20 ways. And did you consider that to be an 21 appropriate response to your discussion with him? 22 23 Α I didn't know him that well, you 24 know, when all of this happened. You know, I had 25 difficulty communicating with George, which I didn't

63 have with the other staff. He would give one word 1 2 answers. If we had a meeting, he wouldn't 3 participate. He was just -- he was a difficult person to have a conversation with. 4 5 Did you ever address that issue with 0 Mr. Stamos that he needed to be more communicative? 6 7 Oh, often. 8 0 When was the first time you addressed 9 that with him? 10 Probably, I am going to say, 2017. Α 11 And what was his response? 0 12 Α Gruntorial, if that's a word. 13 So, between 2017 and 2019, did you 14 ever address that issue with Mr. Stamos again, being more communicative? 15 16 So we would have a meeting, and I would go around the room and at the end of the 17 18 meeting I always said, listen, any thoughts or 19 concerns or anything we need to know? And everyone 20 would elaborate, and George would say, everything is 21 fine or it's okay and then we would leave. And I would usually pull him aside and say, George, this 22 23 is a meeting, you know, to communicate. You know, 24 if there is a reconditioning issue, if there is an 25 issue, you have to communicate. Everything was

		65
1	Q	And that would have been sometime
2	А	Whenever that letter is dated.
3	Q	May April, March let's just say
4	March to July	2019 range. Correct?
5	A	Right. Right.
6	Q	And after that, Mr. Clites never
7	communicated as	nything to you in writing again about
8	Mr. Stamos?	
9	А	So no. But we met with Michael
10	not that I reme	ember. But we met with Rich and Mike
11	Clites often.	And it went completely south after
12	that initial me	eeting to the point where he told Mike
13	Clites that he	doesn't need his help.
14	Q	Did you ever tell Mr. Stamos that you
15	were bringing I	Mike Clites over to help him?
16	А	Of course.
17	Q	When was when did you tell him
18	that?	
19	А	So I am going to say February or
20	March, you know	w, my recollection.
21	Q	Well, that confuses me.
22	А	Because he started in March?
23	Q	Yeah.
24	А	Then March. Whenever so after
25	so I would say	that Mike Clites the date is

66 I don't know. 1 April? 2 So, what did you say to Mr. Stamos to 3 communicate that you were bringing Mike Clites over to help him? 4 5 So I said to George Stamos, to Ryan 6 Beraranka [sic], with Lauren Waldrop and to Rich 7 Ortiz, that there is a new -- a guy who has worked 8 for vAuto and Autotrader, has a new system that I 9 think we need to implement, we need to start sharing 10 inventories using market data, and I am going to --11 originally I didn't pay Mike Clites. But when it 12 became so combative with George, I actually started 13 to pay him. 14 How did it become combative? Eventually George said to him, I 15 16 don't need this -- I don't need your help and, you know -- you know, wouldn't deal with him, wouldn't 17 18 come to the meetings with Rich and George because 19 the whole system is based on everybody being on the 20 same team, the used car manager and the new car manager. Because it's all about the initial 21 appraisal, then to get the ball rolling, you know, 22 23 the condition of the car and then to check the 24 market data to see what your exit strategy is, 25 what -- how saturated the market is with this

67 particular car. If we took it in for X, would it 1 2 reach the top level of the views so it would get a 3 lot of eyes, they call it on the pages. And George refused to participate. 4 5 What is your basis of saying that Mr. 6 Clites got to that level of discussion about the use 7 of vAuto in any of the times that he met with 8 Mr. Stamos? 9 Α Well, with Mr. Stamos I don't, I 10 wasn't present for that. But I will say that Rich 11 Ortiz, who was part of the meetings, shared that 12 with me. You know, they were truly on board. 13 So, both Mr. Stamos and Mr. Clites have explained that Mr. Clites was at that point 14 15 simply going over the mechanics of vAuto? Right. 16 Α 17 MS. TRACY: Objection. 18 Was there any reason to believe that 19 Mr. Stamos did not know the mechanics of vAuto? 20 I can't answer that because George 21 didn't communicate that with me. 22 Well, Mr. Stamos testified he knew --Q 23 well, that's right, you were present. He testified 24 he knew the mechanics of vAuto. 25 Α I don't believe it. I don't -- I

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68
     don't truly believe --
 1
 2
                     He also testified that Mr. Clites
     wasn't doing anything other than going over the
 3
     mechanics, right?
 4
 5
                     MS. TRACY:
                                 Objection.
                     You can answer.
 6
             0
 7
             Α
                     Yes. I was there for that testimony.
 8
                     And Mr. Clites also testified that as
             0
9
     far as he got with --
10
             Α
                     George.
11
                     No. Mr. Clites testified that by the
12
     time that Mr. Stamos was fired, he had only just
13
     gone over the mechanics of vAuto --
14
                     MS. TRACY: Objection.
15
                     -- right?
16
             Α
                     If you say that is what he testified.
     I didn't...
17
18
                     What is your basis for believing that
19
     he got into any of those higher level concepts that
20
     you just described before July of 2019?
                     Because Rich Ortiz -- George stopped
21
     coming to the meetings with Mike Clites. And Rich
22
     Ortiz and him -- that is how I learned so much about
23
24
     how everything worked, from Mike Clites and Rich
     Ortiz. George -- the mechanics of it are pretty
25
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69 simple, I just explained it. It's the doing -- it's 1 2 the doing. And, you know, George was the manager, 3 and he should have been the flag waver for this, you 4 know? But once you have a manager who becomes 5 disgruntled with something and then shares it, the 6 rest of the staff won't follow through. We just 7 felt that George was not part of the solution. 8 0 In what way was Mr. Stamos 9 disgruntled? Or in what way did he demonstrate he 10 was disgruntled? 11 He told me. He said, I don't need 12 to -- I don't need to -- I don't need his help. 13 And that was made supposedly in a -well, that was made -- any comment like that was 14 15 made in a private meeting with Mr -- no. 16 confusing --17 Mr. Clites. Α 18 No. Clites and -- it's Mike whose 19 name I can't -- last name I can't remember. Not 20 Mike, Rich. 21 Α Ortiz. 22 Ortiz. As soon as I said Rich I Q realized it was Ortiz. 23 24 That was in a private meeting with 25 Rich Ortiz and Mike Clites and George Stamos --

		70
1		MS. TRACY: Objection.
2	Q	right? To the best of your
3	knowledge?	
4	А	To the best of my knowledge.
5	Q	He wasn't standing out on the
6	showroom floor	saying disparaging things about Mike
7	Clites or Rich	Ortiz or you or the dealership and
8	vAuto, right?	
9	А	That I don't know.
10	Q	Did you ever hear anything like that?
11	А	I heard that he is making clearly
12	evident to ever	ryone that he is not on board with
13	this process.	
14	Q	Well, who told you that?
15	А	Rich Ortiz, Mike Clites, Matt Kassin.
16	I mean, you kno	OW
17	Q	Now Matt Kassin was long gone by this
18	point, right?	
19	А	No. Matt Kassin didn't leave until
20	COVID.	
21	Q	That's right. Do you remember when
22	Mr. Kassin sta	rted?
23	A	I don't.
24	Q	Would it be fair to say that the
25	overlap between	n them was about a month?

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79
 1
     tool, my team used the tool.
 2
                     The royal you.
 3
             Α
                     The royal you.
                                     I believe so, yes.
                     Can you tell me -- if you can do this
 4
 5
     in a list form and then we can talk about things,
 6
     why did you -- why did you decide to terminate
7
     Mr. Stamos's employment?
 8
             Α
                     I felt that George was difficult to
9
     communicate with. I thought that he didn't exhibit
10
     leadership skills. I thought someone in that
11
     position should have been communicative, be able to
12
     communicate. And I thought that he had the
13
     intelligence to go in this new direction but I
14
     didn't feel -- I don't believe he had the
15
     willingness.
16
                     When did you reach -- when did you --
     when was the first time it occurred to you that
17
18
     Mr. Stamos's employment might be coming to an end or
19
     should come to an end?
20
                     So I guess during the Mike Clites'
21
     period.
22
                     So, from the time -- during the Mike
     Clites' period, when was -- did you ever say to
23
24
     Mr. Stamos, you need to make some changes or else we
25
     may have to part ways, or words to that effect?
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85
 1
     consequences.
 2
                     I don't think I used -- even I don't
 3
     think I used the words dire consequences.
                     So, one of the things that you're
 4
 5
     being presented in lieu of the company today is that
 6
     plaintiff demonstrated consistent poor performance
7
     as a sales manager.
 8
             Α
                     Yes.
 9
                     What does that mean?
             0
                     So he didn't train, he did no
10
11
     training. He didn't -- he didn't get involved in
12
     the meetings, he was not a positive reinforcer, he
13
     lacked basic communication skills.
                     Did you ever -- did you ever tell him
14
     that he needed to provide more training -- I am
15
16
     assuming to the sales staff?
17
                     Of course. And I said -- and I said
             Α
     to him many times that he has to get involved in the
18
19
     department. You know, you can't send neophytes,
20
     people who are new to the business into -- you know,
     to make decisions. You know, he is the manager.
21
22
                     Any other way that you -- other than
             Q
23
     not participating in meetings and not providing
24
     training, that you believe that he demonstrated
25
     consistent poor performance?
```

```
86
                            I think that his unwillingness
 1
             Α
                     Yeah.
 2
     to support innovation or innovative ideas had an
     overall effect on our business.
 3
                     So, talking about this vAuto thing
 4
             0
     for a minute. Was that something that the sales
 5
     staff would have been required to become involved
 6
7
     in?
 8
             Α
                     No.
 9
                     So, this was just a matter of George
10
     Stamos becoming aware of what this product could do
11
     for his --
12
             Α
                     Department.
13
                     -- his department.
             Q
14
                     MS. TRACY: Objection.
15
                     She is really -- go ahead.
             0
16
                     So, when you say George's department,
     that is not necessarily true, it's new and used.
17
     It's an appraisal tool, it is a marketing tool, it
18
19
     is an advertising tool, you know? Because if you
20
     price something right, you will appear on Autotrader
     or any of these websites. And, you know, each
21
     department interacts with the other. Like, it's not
22
23
     a chicken talking to a duck, it's -- you know, for a
24
     new car to be sold, they have to be in a line with
25
     the used car and vice versa.
```

89 Objection. 1 MS. TRACY: 2 Go ahead. 3 Α In the sense that you could then -the function would enable you to have an intelligent 4 5 conversation with the salesperson. When the 6 salesperson says they want X. Well, Bill or Susan, 7 there is 200 of these in the market and this is the 8 average selling price and -- it was really a tool to 9 open up a dialogue, to have an intelligent 10 conversation or, oh, that is a nice color, let's put 11 in on the lot. 12 0 I think you're reading more into my 13 question --14 Α I always do. All I am trying to find 15 That's okav. 16 out is whether or not there was anybody dealing with used cars, other than George Stamos, that would have 17 to directly know how vAuto worked in the Volkswagen 18 19 dealership? 20 I believe you're correct. No. And I take your point about if the 21 manager can't use it, they can't intelligently 22 23 interact with everybody else. Okay. 24 What makes you believe that George 25 Stamos was not interacting with vAuto in an

90 1 appropriate way? 2 Because Mike Clites, the expert, came 3 back and said, he is not listening to me, he is not buying into this and, you know, I mean -- go ahead. 4 5 How do you know he didn't actually know what he was doing already is what I am asking 6 7 What makes you think that he didn't already 8 know what he was doing? 9 Α Well, if that was the case, then when 10 I first said, Mike Clites is going to go over and 11 have vAuto, he would have said -- we are going to go 12 over it and train you on vAuto, he would have said, 13 I know how vAuto works, I understand all the functionality. Do you really think it's necessary, 14 15 Joe? 16 Do you remember in his deposition he explained that he was interested to see what Mike 17 18 Clites had to say and then when he found out what 19 Mike Clites had to say, he realized he already knew 20 it already? Objection. 21 MS. TRACY: 22 Α I heard him say that, but I don't believe that to be true. 23 24 Why don't you believe that to be 25 true?

92 model has changed. 1 2 Okay. And you related it earlier 3 that you told him exactly that, that -- with respect to the vAuto Beetles, that you can't go by the 4 5 season anymore. 6 Α Right. 7 MS. TRACY: Objection. 8 0 Was there anything else, other than 9 this business about the bugs -- I'm sorry, the 10 Beetles -- do we not call them bugs anymore? 11 Α No. 12 The Beetles in 2018, that led you to believe that George Stamos wasn't properly using 13 vAuto? 14 15 I think that really it came Yes. 16 down to George -- I didn't know what George's strategy was. Again, George didn't communicate with 17 me, I was not looking to get rid of George. George 18 19 had a little niche with the Volkswagen certified 20 pre-owned, but I thought we were putting all our eggs in one basket, and I just -- any conversation I 21 had, he didn't verbally share with me any 22 23 information on what direction he was going. And I 24 would say, we can't just sell Volkswagen CPOs. And he wasn't just selling CPOs, 25

```
93
             He was selling all sorts of used things?
 1
 2
                     The majority of what he sold were
     CPOs.
 3
            And I wanted to use these tools to, you know,
     really expand our market and eventually --
 4
 5
     eventually share inventories and -- which he thought
 6
     that he was becoming a dumping ground for Mike
7
     Clites's inventory.
 8
                     Right.
             Q
 9
             Α
                     Which is not true.
                     Which he said. He testified --
10
11
                     So he did -- one of the few times
             Α
12
     that he verbally shared -- I said, you're bringing
13
     cars over there too. I said, George, if anything is
     not working and we have -- you know, we are just
14
     trying this. If there is something that you have a
15
16
     solution, never heard another word.
17
                     Other than you didn't hear another
     word and other than Mr. Stamos didn't tell you that
18
19
     he was pursuing a different strategy, is there
20
     anything that you reviewed in records that led you
21
     to believe that Mr. Stamos was not properly using
     vAuto or otherwise engaging in these other
22
23
     strategies?
24
                     Yes.
                           Only Mike Clites and Rich Ortiz
     saying he is not participating.
25
```

```
99
     records, Rose Diaz would have been the person who
 1
 2
     would have done it?
                     I would believe that is true.
 3
             Α
                     And when did you first become aware
 4
 5
     that the use of -- this may sound like a silly
 6
     question to you -- that the use of vAuto was part of
7
     the reason for Mr. Stamos's termination?
 8
                     MS. TRACY: Objection.
 9
             Α
                     Ask it again?
10
                     Sure.
             0
11
                     When did you -- when did you first
12
     know that vAuto, the use of vAuto, was a part of
     your reason for terminating Mr. Stamos's employment?
13
14
                     MS. TRACY: Objection.
15
                     Well, when it became apparent.
16
     mean, are you looking for a date or --
17
                     Was it while he was still employed?
             0
18
                     Oh, yeah, yeah.
19
                     So, when you got -- when you got
20
     notice of the Charges of Discrimination, it wasn't
     news to you that his use of vAuto was going to be
21
     part of what was going to be an issue, right?
22
23
                     MS. TRACY: Objection.
24
             Α
                     I didn't think about it.
                                                I didn't --
25
     I mean, I literally gave it no thought.
```

```
100
                     How much -- how much operating
 1
 2
     knowledge does Rose Diaz have of the operations of
     the VW dealership?
 3
                     Ouite a bit.
 4
             Α
 5
                     Like, does she know vAuto?
             0
                     She -- well, she is one of the check
 6
             Α
7
     signers.
                She knows -- I mean --
 8
             0
                     You pay for it?
 9
             Α
                     We pay for it, yeah.
                     Would she on her own have known that
10
11
     vAuto was part of your reason for terminating
     Mr. Stamos's employment?
12
13
                     It wasn't vAuto alone, it was --
             Α
14
                     That is why I said part of.
             0
15
                     Part of, yes.
16
                     Did you ever reach out to Mr. Clites
     and ask him to take whatever -- take any actions
17
     with respect to preservation of records from vAuto
18
19
     as pertained to Mr. Stamos?
20
             Α
                     No.
                     If you go back to Exhibit 6, which is
21
     the letter from Attorney Wells, she lists -- I had
22
23
     asked her, and I will tell you, can you identify the
     documents that record Mr. Stamos's poor performance?
24
25
     And she lists -- she attached four documents, three
```